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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/605,818	06/28/2000	Jay S. Walker	00-001	5370
22927	7590	06/15/2006	EXAMINER	
WALKER DIGITAL 2 HIGH RIDGE PARK STAMFORD, CT 06905			FADOK, MARK A	
			ART UNIT	PAPER NUMBER
			3625	

DATE MAILED: 06/15/2006

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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 09/605,818
Filing Date: June 28, 2000
Appellant(s): WALKER ET AL.

Carson C. K. Fincham
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 3/9/2006 appealing from the Office action mailed 9/13/2005.

(1) *Real Party in Interest*

A statement identifying the real party in interest is contained in the brief.

(2) *Related Appeals and Interferences*

A statement identifying the related appeals and interferences, which will directly affect or be directly affected by or have a bearing on the decision in the pending appeal is contained in the brief.

(3) *Status of Claims*

The statement of the status of the claims contained in the brief is correct.

(4) *Status of Amendments After Final*

No amendment after final has been filed.

(5) *Summary of Claimed Subject Matter*

The summary of invention contained in the brief is correct.

(6) Issues

The appellant's statement of the issues in the brief is correct.

(7) Claims Appealed

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Acknowledgement of the related Evidence Appendices

An acknowledgement of related evidence is contained in the Appendices.

(9) Acknowledgement of the related Proceeding

An acknowledgement of related evidence is contained in the Appendices.

(10) Evidence Relied Upon

**Lough, L.A., System design to grow with area", Richmond Times - Dispatch,
Dated April 24, 1998.**

**Bruss, Robert, No grey area: selling a site twice is illegal, Chicago Tribune, dated
December, 2, 1995.**

(11) Grounds of Rejections to be Reviewed

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the

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invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1,4,5,7,8,9,11,38,40,41,42,51,53,54 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bruss in view of Lough.

1,38,42,51 (CURRENTLY AMENDED) A method comprising: arranging for a customer to redeem a product from a third party (page 2, assignable contract);

Bruss teaches redeeming an assignable contract (third party) to purchase a home but does not specifically mention receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred and determining to accept an offer based on the received information. Lough teaches inputting sales data resultant of a redemption of a contact for sale into an electronic database (MLS) (abstract) and determining to accept an offer based on the received information (showing comparative sales information to establish a sell price for a persons home, listing price). It would have been obvious to a person having ordinary skill in the art to include in Bruss inputting the sales information for later utilization since listing agents can increase revenue by supplying accurate and timely information to the client.

In regards to claims 4,40,53, Bruss teaches determining, based on the received information, a third party at which an offer product may be redeemed according to the accepted offer (settlement/title company).

In regards to claims 5,41,54, Bruss teaches wherein the information comprises a retail price of the product during the redemption (asking price of comparable properties).

In regards to claim 7, Bruss teaches wherein the information comprises an amount of the product redeemed at the redemption (1 house).

In regards to claim 8, Bruss teaches wherein the information comprises a time of the redemption (date of sale, commonly used by agents to determine the best comparables, i.e. a sale that occurred 30 years ago would not be relevant to the current market).

In regards to claim 9, Bruss teaches wherein the information identifies the third party (contractor/buyer/new owner).

In regards to claim 11, Bruss teaches wherein the offer is an offer to purchase the product (original offer from real estate agent who then assigned the contract for redemption to the contractor, page 2, para 6).

Claims 2,3,39 and 52 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bruss in view of Lough and further in view of Official Notice.

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In regards to claims 2,3,39,52, the combination of Bruss and Lough teach collecting information but does not specifically state that the sequence is repeated. It would have been obvious to a person having ordinary skill in the art at the time of the invention to repeat the process, since it has been held that mere duplication of the essential working parts of a device involves only routine skill in the art. In re Japiski, 86 USPQ 70.

Claims 6,55 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bruss in view of Lough and further in view of Kerch.

In regards to claims 6,55, the combination of Bruss and Lough teach the sale of homes and the acceptance of an offer, but does specifically mention calculating a difference between an offer price included in the offer and the retail price and accepting the offer if the difference is less than a threshold amount. Kerch teaches setting a threshold (page 1, price to be accepted) and a retail price to start at (market price). It would be obvious to a person having ordinary skill in the art to include in Bruss/Lough calculating the difference from a threshold and market price, because this would indicate whether or not the seller would feel comfortable selling the house at a already accepted threshold thus relieving anxiety in determining if the price is acceptable.

Claim 10 are rejected under 35 U.S.C. 103(a) as being unpatentable over Bruss in view of Lough and further in view of Broshy (US 5,761,647).

In regards to claim 10, the combination of Bruss/Lough teaches inputting information about the sale of a property, but does not specifically state that information is gathered concerning other products purchased during the redemption such as warranty or insurance. Broshy teaches gathering information on additional purchases made during the redemption (col 13, lines 20-40). It would have been obvious to a person having ordinary skill in the art at the time of the invention to include information is gathered concerning other products purchased during the redemption such as warranty or insurance, since this information can provide valuable information on the total value of redemption transaction and determine if the offer should be continued at the current price.

(12) Response to Argument

Appellant argues that the USC 101 rejection is improper. In view of *Ex parte* Lundgren the examiner agrees and has therefore removed the rejection from consideration.

Appellant argues that the combination of Bruss and Lough fail to teach “receiving, via an electronic communication network, information relating to a redemption, of the product and by the customer, that has occurred”. The examiner, who was a licensed realtor in the early 1990’s and holds a GRI (Graduate of the Real estate Institute) experienced the entering of sales data (sold properties) as well as listed properties. One of ordinary skill in the art in the 1990’s clearly understood that comparable properties were to be established on a price based on sold properties that closed and not on listed properties as the appellant contends. Therefore, the combination of Bruss and Lough clearly teaches entering sales data after the closing; the redemption being in the form of a signed contract presented at closing.

Appellant argues that the combination of Bruss and Lough fail to teach, “determining to accept an offer based on the received information”. The real estate agent who decided to assign the contract clearly would not sell the property for less and would most likely go to the MLS to determine what the property was worth based on current sales as is taught by Lough.

Appellant argues that the combination of Bruss and Lough fail to teach, “determining whether to accept an offer based on the redemption information”. The agent would clearly use the MLS sales information to determine if the offer for the property was satisfactory based on current sales, which establishes the current market value.

Appellant's invention although not claimed in its entirety is essentially the following: a customer works out an agreement with a website to be able to purchase a product at a certain price. This price is based on an agreement with another party who actually has the product. When the customer presents the redemption agreement to the party who has possession of the product, the party charges the website the amount that was agreed upon. Since the website and the provider will lose money by charging less than the current retail price it is important that the website monitor the current retail price so that the next sale will be profitable. The Board of Appeals should be aware that the above-described invention is not however, what is being claimed.

In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, the motivation is supported by the paragraph from Lough cited on page 22 of appellant's brief.

In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies

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(i.e., "already paid for the product") are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,



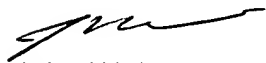
Mark Fadok
Primary Examiner

June 8, 2006

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